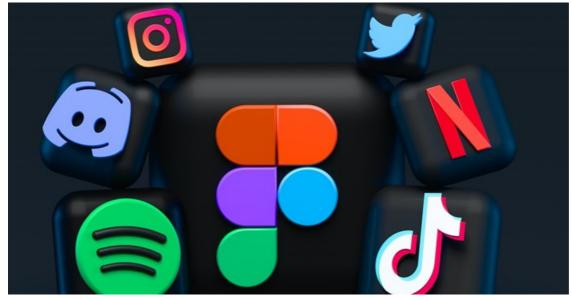


Social media ads are about to change - how new rules on content marketing will affect what you see and share

By Rafaello Rossi and Agnes Nairn

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We've all scrolled through social media and come across a witty post shared by a friend. Perhaps it references a <u>favourite</u> <u>TV show</u>, or speaks to your <u>current mood</u>.



Source: www.unsplash.com

If you were intrigued enough to click on it, you may have been surprised to discover it's actually an ad for fast food, fashion or even gambling. Such ads, with no apparent connection to the product and which are not overtly trying to sell you something, are called content marketing.

The UK Advertising Standards Agency (ASA) has recently <u>decided</u> that most content marketing ads fall under its regulations. While this decision was in relation to gambling specifically, an ASA spokesperson provided the following statement to *The Conversation:*

Our remit applies in the same way to advertising for all sectors, so the statement we published for gambling reflects howwe'd approach content marketing from other industries such as alcohol brands or fast food chains. The vast majority of social media content from marketers is within our remit and therefore subject to our rules.

This could cause a major shift in the types of ads we see online. Content marketing is everywhere on social media – big names like supermarket chain <u>Aldi</u> and sports <u>Nike</u> use it with great success.

Forbes Magazine has suggested that brands should invest <u>up to a third</u> of their overall marketing budgets in this type of ad, with <u>other research</u> showing the average among North American companies is close at 26%.

And it's no wonder this form of advertising is becoming more popular, when it generates three times as many leads as other types of marketing yet costs 62% less.





But if you're still wondering what content marketing is, that's not necessarily by accident. Content marketing ads are designed to go under the radar, so that you may not actually notice a funny meme has been posted by a brand – in this case, the fashion retailer Asos:

Tonight's plans: pic.twitter.com/MQDJeFVdqL

— ASOS (@ASOS) <u>September 7, 2021</u>

While the main purpose of content marketing is to enhance brand reputation and ultimately increase sales, the big benefit for the companies is that these ads are designed to make you do the work. By sharing, liking or commenting, you're expanding the brand's audience via the myriad networks of social media users.

You may not do this for a "Buy 2 for 1" supermarket ad, but an image of a cute cat next to a fan posted during a national heatwave could be a different story. Of course, the idea behind content marketing is that you will make the brand connection subconsciously, as will everyone in your network who you share it with. This will create a positive relationship with the brand.

Research shows these <u>positive emotions</u> will strengthen every time you (subconsciously) see funny or cute content from the same brand, eventually leading you to start consuming its products. It's a sneaky but very powerful form of advertising, but it's also one that's changing.

New regulations

Until July 2022, the Advertising Standards Authority (ASA) did not recognise content marketing as <u>a form of advertising</u>, so its regulations did not apply to such ads. This meant that, in theory, content marketing posts from gambling firms could feature children, alcohol brands could encourage drinking and driving, and fast food chains could target kids, all without breaking any advertising regulations.

While encouraging drinking and driving is a far cry from a funny cat meme, regulation of social media content marketing ads is crucial. For one thing, these posts are deceptive because most people don't realise they are advertising something. They can bypass the <u>cognitive defences</u> we all use when we see an ad to <u>protect us</u> from buying unnecessary stuff. Of course, the effects of this missing link are more harmful for certain products or services.

Gambling is known to be addictive, for example, so a traditional gambling ad will get most people's alarm bells ringing. But if

gambling companies use content marketing, users may engage with the post without even thinking and eventually follow the account. Once this happens, they will be exposed to all of the account's content – not just the funny memes but also the highly appealing, immediate-action ads encouraging users to "click here for a free bet". We know that this is happening on a large scale.

We have already written for *The Conversation* about our <u>study</u> of more than 888,000 gambling ads on Twitter. We found that around 40% of those ads were content marketing, and many were <u>highly appealing to children</u>.

After pressure from our academic <u>publications</u>, a debate in <u>the UK House of Lords</u> and an episode of comedian <u>Joe Lycett</u> <u>'s Channel 4 show Got Your Back</u>, the regulator stepped in to expand its rules to content marketing.

The ASA now recognises that most <u>content marketing posts</u> are actually ads, and that all existing advertising codes should apply to these posts.



Reserve Bank changes its stance on crypto regulation

Katja Hamilton 15 Jul 2022



This means that posts like the overheated cat could still appear in your social media feed, but it would now have to adhere to all regulations. For gambling, fast food or alcohol brands, this could mean they cannot use content marketing at all without breaching regulations.

Our <u>previous research</u>, for example, showed that 11 out of 12 gambling content marketing posts were strongly appealing to children — something not allowed under the existing regulations for adverts. The regulator's decision on content marketing is a seismic shift in advertising regulations.

But the real work has just begun, because the expansion also brings up new issues. Enforcement will be tricky, for example, considering everyone's social media feed is different, and content marketing pieces are often posted briefly and then spread by users, not advertisers. But the most fundamental question will be whether, under these new regulations, it is even possible to post content marketing that is not obviously recognizable as such.

The whole point of content marketing is that we don't recognise it, otherwise we wouldn't share it. But this breaks one of the first rules of advertising standards so, presumably, every content marketing piece will have to be marked "ad" or "sponsored" so that we recognise it, making it considerably less cool to share.

As such, this regulation could kill off the practice of content marketing completely, which in our view would be a good thing. Memes can be cute and funny, but using them to sell unhealthy food or gambling services is sneaky, deceptive and potentially very harmful.

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